

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 1999-213-C - ORDER NO. 1999-797  
NOVEMBER 8, 1999

IN RE: Application of Columbia ) ORDER *JMC*  
Telecommunications, Inc. d/b/a/ aXessa for a ) GRANTING  
Certificate of Public Convenience and ) CERTIFICATE  
Necessity to Operate as a Reseller of )  
Interexchange Telecommunications Services )  
within the State of South Carolina.

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of Columbia Telecommunications, Inc. d/b/a aXessa ("aXessa" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold interexchange telecommunications services within the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1998) and the general regulatory authority of the Commission.

The Commission's Executive Director instructed aXessa to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of aXessa and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. aXessa complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene or Protests were filed.

A hearing was convened on September 30, 1999, at 10:30 a.m. in the Commission's Hearing Room, Columbia, South Carolina. The Honorable Philip T. Bradley, Chairman, presided. aXessa was not represented by counsel. Florence P. Belser, Staff Counsel, represented the Commission Staff.

Derrel Duplechin, Vice President of Engineering of aXessa, appeared and testified in support of the Application. The record reveals that aXessa is a Delaware corporation which is registered to transact business in South Carolina as a foreign corporation. According to the record of the proceeding, aXessa proposes to provide a full range of resold interexchange services, including outbound direct dial service, inbound service, calling card services, operator assisted services, and directory assistance service. Mr. Duplechin explained the Company's request for authority, and the record reveals the Company's services, operations, and marketing procedures.

Mr. Duplechin also discussed aXessa's technical, financial, and managerial resources to provide the services for which it seeks authority to provide. Mr. Duplechin testified that the management of aXessa is well qualified, representing a broad spectrum of business and technical disciplines, possessing many years of individual and aggregate telecommunications experience. Further, Mr. Duplechin testified that aXessa has the financial ability to provide the services for which it seeks authority to offer. Mr. Duplechin also testified that aXessa has received approval to operate and provide services in 8 states thus far and has applications pending in the remaining states. Mr. Duplechin also stated that aXessa had not been denied authority to operate in any state, nor had aXessa had authority revoked in any state, nor had aXessa been the subject of any

investigation regarding the provision of telecommunications services by any regulatory body. Finally, Mr. Duplechin testified that aXessa will operate in South Carolina in accordance with Commission rules, regulations, guidelines, and Commission Orders.

Mr. Duplechin also offered that approval of aXessa's application would serve the public interest creating greater competition in the interexchange marketplace and by providing consumers with a greater choice of billing options and long distance services, which will thereby promote efficient use of the underlying networks.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

#### **FINDINGS OF FACT**

1. aXessa is organized as a corporation under the laws of the State of Delaware and is authorized to do business as a foreign corporation in the State of South Carolina by the Secretary of State.
2. aXessa operates as a non-facilities based reseller of interexchange services and wishes to provide its services in South Carolina.
3. aXessa has the experience, capability, and financial resources to provide the services as described in its Application.

#### **CONCLUSIONS OF LAW**

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to aXessa to provide intrastate interLATA service and to originate and terminate toll traffic within the same

LATA, as set forth herein, through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for aXessa for its services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. aXessa shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. aXessa shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1998).

4. If it has not already done so by the date of issuance of this Order, aXessa shall file its revised tariff and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

5. aXessa is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

6. With regard to the Company's services, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. aXessa shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If aXessa changes underlying carriers, it shall notify the Commission in writing.

8. With regard to the origination and termination of toll calls within the same LATA, aXessa shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. aXessa shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

10. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on

a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. aXessa shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. Attachment B shall be utilized for the provision of this information to the Commission. Further, the Company shall promptly notify the Commission in writing if the representatives are replaced.

11. As aXessa proposes to provide operator services, aXessa shall comply with the following conditions:

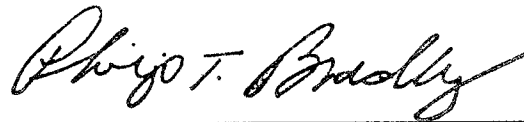
- (a) Regarding the provision of operator services, aXessa shall comply with the Operator Service Provider Guidelines approved in Order No. 93-534, issued in Docket No. 93-026-C.
- (b) For intrastate 0+ operator assisted and calling card calls originating from pay telephones outside confinement facilities and at aggregator locations, aXessa may not impose operator service charges greater than the intrastate charges then currently approved for AT&T. For the usage portion of the call, aXessa may not charge more on interLATA calls than the intrastate interLATA rates charged by AT&T Communications for interLATA calls or on intraLATA calls than the intraLATA rates charged by BellSouth Telecommunications for intraLATA calls.

- (c) aXessa is allowed to incorporate in its tariff a surcharge (property imposed fee) on operator-assisted and calling card calls not to exceed \$1.00 for calls originating from payphone (excluding pay telephones associated with inmate calling service) and from aggregator locations, only if the property owner has not added a surcharge already. That is, aXessa may not impose an additional surcharge to calls originating from pay telephones and from aggregator locations if a property owner has already imposed such a surcharge. If such a surcharge is applied by aXessa on behalf of the property owner, aXessa is directed to pay the surcharge in its entirety to the property owner. Further, if the surcharge is applied, the end user should be notified of the imposition of the surcharge. This notification should be included in the information pieces identifying aXessa as the operator service provider at that location.
- (d) aXessa is required to provide information pieces to pay telephone service providers or property owners identifying aXessa as the provider of the operator service for authorized calls originating from the location. aXessa is required to brand all calls identifying itself as the carrier. The information pieces shall be consistent with the format approved by the Commission in Order No. 93-811, issued in Docket No. 92-557-C.

12. aXessa is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

13. This Order shall remain in full force and effect until further Order of the Commission.

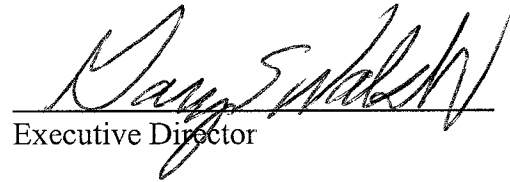
BY ORDER OF THE COMMISSION:



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Chairman

ATTEST:



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Executive Director

(SEAL)



DOCKET NO. 1999-213-C - ORDER NO. 1999-797  
NOVEMBER 8, 1999  
ATTACHMENT A

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**ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S**

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COMPANY NAME

---

FEI NO.

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ADDRESS

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CITY, STATE, ZIP CODE

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PHONE NUMBER

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR  
12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- \* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN  
PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF  
CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR ENDING  
\_\_\_\_\_.
- \* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION  
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT  
OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS  
METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3  
ABOVE).

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SIGNATURE

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NAME (PLEASE TYPE OF PRINT)

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TITLE

DOCKET NO. 1999-213-C - ORDER NO. 1999-797  
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ATTACHMENT B

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**INFORMATION OF THE AUTHORIZED UTILITY  
REPRESENTATIVES FOR INTEREXCHANGE, LOCAL  
AND AOS COMPANIES**

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
REGULATION 103-612.2.4(b), each utility shall file and maintain with the Commission  
the name, title, address, and telephone number of the persons who should be contacted in  
connection with Customer Relations/Complaints.

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Company Name/DBA Name

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Business Address

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City, State, Zip Code

---

Authorized Utility Representative (Please Print or Type)

---

Telephone Number

Fax Number

---

E-Mail Address

---

This form was completed by      Signature

If you have any questions, contact the Consumer Services Department at 803-896-5230